**Critique of Project 11**

**What is their topic on?**

The topic of their web scraping project was the influence of capital structure on enterprise performance, where capital structures consists of various financial indicators that predict enterprise performance, which is a metric of how well a business is performing financially.

* *Is the title consistent with the topic?*

Yes, the title is consistent with the topic.

* *In other words does the title make sense for the project?*

Yes, the title makes sense for the project.

**Are the objectives of the project clearly identifiable?**

Yes, the objectives of the project are clearly identifiable.

* *What are they wanting to study?*

They want to study how various financial indicators (Return on Asset, Debt to Asset Ratio, Current Debt Rate, Long-Term Debt Rate, Asset Turnover, Cash Ratio, Current Ratio, Receivables Turnover and Receivables/Current Assets) affect enterprise performance, and which metrics have the most significant impact.

* *What is the motivation of this project?*

In the field of finance, financial indicators are important metrics to determine the performance of a business. This project seeks to use financial indicators in order to determine which metrics have the most significant impact on enterprise performance.

* *What does the presenter hope to accomplish with this project?*

The presenter hopes to conduct statistical testing (multiple linear regression, correlation and multicollinearity tests) on the data to draw conclusions on which variables affect enterprise performance the strongest.

**What data is used?**

Data on various financial indicators (Return on Asset, Debt to Asset Ratio, Current Debt Rate, Long-Term Debt Rate, Asset Turnover, Cash Ratio, Current Ratio, Receivables Turnover and Receivables/Current Assets) was used.

* *What website(s) are scraped?*

Data from the Wharton Research Data Services (WRDS) website was scraped.

* *Is other data brought in from outside sources?*

No other data was brought in from outside sources.

* *If so, what are they and how do they add to the project?*

Not applicable for this project.

**What is your overall impression of the project?**

Overall, I was very impressed by the professional nature of your project and applying web scraping to financial data, which is extremely relevant for the field of business. I really appreciated how you applied multiple statistical tests to your web scraped data, including multiple linear regression, correlation and multicollinearity tests to draw conclusions, specifically that long-term debt has no linear relationship with return on asset, the current ratio should be eliminated due to collinearity and that the debt to asset ratio has a significant negative correlation with return on asset. In addition, it was a smart move to separate the 2020-2021 data in the statistical analysis because it has a much lower R squared (0.26 for 2020-2021 compared to 0.61 for 2010-2019) and therefore the independent variables do not explain as much of the variation in the dependent variable.

**Other encouragements/critiques you would like to provide to your colleague in order for them to have a more refined project.**

All in all, I was very impressed by your work on this project. Using R to web scrape over 500,000 data points and condensing them into 9 usable variables (1 dependent and 8 independent) for statistical analysis was a great application of the material we learned in this class. One suggestion I have is to see whether there is a similar downward trend in enterprise performance for the Great Recession period (2007-2009) and how that trend compares to the downward trend from the current COVID-19 pandemic (2020-2021+). In addition, it would be nice if you had better explained to the audience how your R code worked, such as how the libraries you imported were useful in database scraping.